

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

BLACKWATER SECURITY CONSULTING,
LLC, *et al.*,

Plaintiffs,

v.

WESTCHESTER SURPLUS LINES
INSURANCE COMPANY, *et al.*,

Defendants.

Civil Action No. 05-6020 (PBT)

**BLACKWATER'S INITIAL DISCLOSURES PURSUANT TO
FEDERAL RULE OF CIVIL PROCEDURE 26(a)(1)**

Plaintiffs Blackwater Security Consulting LLC and Blackwater Lodge & Training Center, Inc. (collectively, "Blackwater") provide the following initial disclosures in compliance with Fed. R. Civ. P. 26(a)(1). These disclosures are based on information reasonably available to Blackwater as of the present date. Blackwater will, as provided in Fed. R. Civ. P. 26(e), modify, supplement, or amend these disclosures as warranted based on discovery and Blackwater's development of its case.

A. Individuals Likely To Have Discoverable Information That Blackwater Will Use To Support Its Claims.

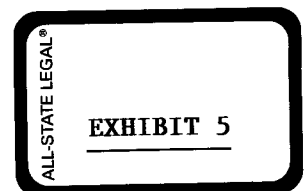
No. Name and Address

Subject(s)

1. Thomas A. Powell

The circumstances surrounding the death of decedents as alleged in the *Nordan* Complaint.

c/o Clifford Higby, Esq.
Bryant & Higby
833 Harrison Avenue
P.O. Box 860
Panama City, FL 32402-0860



| <u>No.</u> | <u>Name and Address</u> | <u>Subject(s)</u> |
|------------|---|---|
| | P: 850.763.1787 F: 850.785.1533 | |
| 2. | Justin L. McQuown c/o Ralph J. Caccia, Esq. William C. Crenshaw, Esq. Don R. Berthiaume, Esq. Powell Goldstein, LLP 901 New York Avenue, NW Third Floor Washington, DC 20001-4413 c/o Patricia L. Holland, Esq. Rachel Beaulieu Esposito, Esq. Cranfill, Sumner & Hartzog P.O. Box 27808 Raleigh, NC 27611-7808 P: 919.863.8708; 919.828.5100 F: 919.828.2277 | The circumstances surrounding the death of decedents as alleged in the <i>Nordan</i> Complaint. |
| 3. | John Potter c/o Ross & Miner P.C. 327 E. Fireweed Lane, Suite 201 Anchorage, AK 99503 P: 907-276-5307 | The circumstances surrounding the death of decedents as alleged in the <i>Nordan</i> Complaint. |
| 4. | Steven Capace Prince Group 1650 Tysons Blvd, Suite 800 McLean, Virginia 22102 (571) 663-9530 | The circumstances surrounding Blackwater's communications with its insurers regarding the tender of the <i>Nordan</i> Complaint. |
| 5. | Gary Jackson Blackwater Security Consulting LLC 550 Puddin Ridge Road Moyock, North Carolina 27958 | The circumstances surrounding Westchester Surplus Lines Insurance Company's May 18, 2005 correspondence to Blackwater. |
| 6. | Keith Phillips ACE Westchester Specialty Group Claims 500 Colonial Center Parkway, Suite 200 P.O. Box 100008 Rosewell, Georgia (678) 795-4081 | The circumstances surrounding the coverage determination of Westchester Surplus Lines Insurance Company with regard to the <i>Nordan</i> Complaint. |

| <u>No.</u> | <u>Name and Address</u> | <u>Subject(s)</u> |
|------------|---|--|
| 7. | Paul D. Coates Pinto, Coates, Kyre & Brown, PLLC 3203 Brassfield Road Greensboro, North Carolina 27410 (336) 282 8848 | The circumstances surrounding Westchester Surplus Lines Insurance Company's May 18, 2005 correspondence to Blackwater. |
| 8. | Joyce Williams Claim Specialist, CNA CNA Plaza, 333 S. Wabash, 13-South Chicago, Illinois 60685 (312) 822-3679 | The circumstances surrounding the coverage determination of Continental Insurance Company's, formerly known as Fidelity & Casualty Company of New York ("CNA"), with regard to the <i>Nordan</i> Complaint. |
| 9. | Jeffrey N. Williamson CNA CNA Plaza CNA Surety Corporation 333 South Wabash Avenue; 13-South Chicago, Illinois 60685 | The circumstances surrounding the coverage determination of CNA with regard to the <i>Nordan</i> Complaint. |
| 10. | William H. Briggs, Jr. Ross, Dixon & Bell LLP 2001 K Street NW Washington, D.C. 20006 (202) 662-2000 | The circumstances surrounding the coverage determination of CNA with regard to Blackwater's claims for coverage, and CNA's agreement to provide coverage under the Workers Compensation coverage part of policy DBA 22 390 1731 that CNA issued to Blackwater. |
| 11. | Jeremy A. Stephanson Wilson, Elser, Moskowitz, Edelman & Dicker LLP 120 North LaSalle Street Chicago, Illinois 60602 (312) 704-0550 | The circumstances surrounding Evanston Insurance Company's coverage determination with regard to the <i>Nordan</i> Complaint. |
| 12. | Loren S. Cohen Wilson, Elser, Moskowitz, Edelman & Dicker LLP 120 North LaSalle Street Chicago, Illinois 60602 (312) 704-0550 | The circumstances surrounding Evanston Insurance Company's coverage determination with regard to the <i>Nordan</i> Complaint. |
| 13. | Tony Glenn Vice President, Claims Liberty International Underwriters, Inc. | The circumstances surrounding Liberty International Underwriters coverage determination with regard to the <i>Nordan</i> |

| <u>No.</u> | <u>Name and Address</u> | <u>Subject(s)</u> |
|------------|---|-------------------|
| | 55 Water Street, 18th Floor New York, New York 10041 | Complaint. |

14. Individuals identified through on-going discovery

B. Copies Of, Or Description By Category And Location Of, All Documents That Blackwater May Use To Support Its Claims.

The following documents and things may be used by Blackwater to support its claims.

To the extent not publicly available electronically or already filed with the Court in this matter, these documents are in the possession of or available to Howard T. Weir, Morgan, Lewis & Bockius LLP, 1111 Pennsylvania Avenue NW, Washington, D.C. 20004 and/or at Blackwater's corporate headquarters.

1. All documents and filings, including exhibits, in the action captioned *Nordan v. Blackwater Security Consulting, LLC*, No. 05-cv-00048 (E.D.N.C.). All of these documents and filings are available to the public via the United States District Court for the Eastern District of North Carolina's electronic filing system. A copy of the docket for that case, as of July 1, 2007, is attached hereto. To the extent that there are future public filings in that matter, Blackwater reserves the right to rely upon those filings to support its claims.

2. All documents and filings, including exhibits, in the action captioned *Blackwater Security Consulting, LLC v. Nordan*, No. 06-cv-00049 (E.D.N.C.). All of these documents and filings are available to the public via the United States District Court for the Eastern District of North Carolina's electronic filing system. A copy of the docket for that case, as of July 1, 2007, is attached hereto. To the extent that there are future public filings in that matter, Blackwater reserves the right to rely upon those filings to support its claims.

3. All documents and filings, including exhibits, in the action captioned *Blackwater Security Consulting, LLC v. Nordan*, No. 07-cv-00175 (E.D.N.C.). All of these documents and filings are available to the public via the United States District Court for the Eastern District of North Carolina's electronic filing system. A copy of the docket for that case, as of July 1, 2007, is attached hereto. To the extent that there are future public filings in that matter, Blackwater reserves the right to rely upon those filings to support its claims.

4. The complaint captioned *Nordan v. Blackwater Security Consulting LLC, et al.*, 05 CVS 000173, originally filed in the Superior Court of North Carolina, Wake County.

5. The agreements entered into between Blackwater and the *Nordan* decedents named in *Nordan v. Blackwater Security Consulting LLC, et al.*, 05 CVS 000173, originally filed in the Superior Court of North Carolina, Wake County.

6. An agreement underlying the security mission the *Nordan* decedents were performing at the time of their deaths.

7. Correspondence between Blackwater, or its representatives, and its insurers, Westchester Surplus Lines Insurance Company, CNA, Evanston Insurance Company, and Liberty International Underwriters, or their representatives, regarding insurance coverage for the *Nordan* Complaint.

8. Insurance agreements entered into by Blackwater and defendants Westchester Surplus Lines Insurance Company, CNA, Evanston Insurance Company, and Liberty International Underwriters, respectively.

C. Computation of Damages

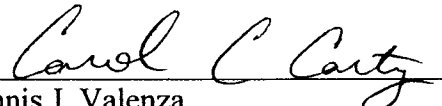
At present, Blackwater has paid and incurred \$3,948,229.68 in unreimbursed costs and fees related to its defense of the allegations of the *Nordan* Complaint and related litigation and

arbitration. And, Blackwater continues to pay and incur such costs as the underlying litigation and arbitration is ongoing. The invoices related to these costs and fees contain information protected by the attorney/client privilege and work product doctrines. Until there is a protective order entered governing the use and disclosure of those invoices, Blackwater exercises its right under Fed. R. Civ. P. 26(a)(1)(C), not to produce such documents for inspection and copying under Fed. R. Civ. P. 34.

D. Insurance Agreements

Blackwater is not presently aware of any insuring agreements, other than those at issue in this action, that may be liable to satisfy part or all of a judgment which may be entered in this action or to indemnify or reimburse for payments made to satisfy the judgment.

Dated: July 16, 2007


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